

Agenda Item IV.

Executive Director's Report

B. Board Conceptual Legislation (*Staff*)

Public Employees' Retirement Board
March 8, 2012

Topic: Association of Montana Troopers request for information from
MPERA's Actuary, Cheiron

Discussion:

The Association of Montana Troopers (AMT) is interested in proposing legislation to address the unfunded actuarial liability (UAL) of HPORS. They are considering two scenarios:

1. Increasing employee contributions by .50% annually and increasing the multiplier from 2.5% to 2.75% for all current members; and
2. Increasing employee contributions by 1.00% annually and increasing the multiplier from 2.5% to 2.75% for all current members.

AMT would like to learn, at its cost, the actuarial impact of the two scenarios. AMT has asked that MPERA obtain from Cheiron an estimate of the cost of the studies. The estimated cost is \$2500.

AMT is seeking Board approval to have Cheiron undertake the analysis subject to AMT's approval of the cost estimate.

Staff Recommendation:

Subject to AMT's approval of and agreement to pay the cost, the Board agrees to have Cheiron analyze the impact of the above two scenarios on HPORS' unfunded actuarial liability.

Board Motion:

☐ Uphold Staff Recommendation

☐ Other.

Moved by _____

Seconded by _____

Vote _____